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DPD-3245-59

13 May 1959

MEMORANDUM FOR THE RECORD

SUBJECT : Concurrence in Amendment No. 5 to Contract No. SP-1917 with Lockheed Aircraft Corporation, Burbank, California, OARTISH/AF-1, Project CHALICE (Air Force)

1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 5.

2. Contract No. SP-1917 is a fixed price open call contract used for the procurement of kits and spare parts by the Project and FOG. The prices for items procured under this contract are established by the use of a previously agreed to formula arrangement which is periodically negotiated. The purpose of Amendment No. 5 is to evidence the rates and formula agreed to for the period 1 January 1959 through 30 June 1959.

3. Amendment No. 5 to Contract No. SP-1917 provides for \$30,000 additional funds which makes a total contract consideration of \$275,000 for the Project which is within the FY 59 approved budget figure. This \$30,000 should be charged to CHALICE FY 59 funds. The Air Force allocation of \$500,000 is increased by \$87,000 during FY 1959 and should be obligated against Air Force "No Year" funds. By concurrence to this memorandum the Comptroller signifies that funds are available for these additional obligations.

4. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all 8(b) expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress, for each contract.

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5. Concurrence in Amendment No. 5 to Contract No. SP-1917 is recommended.

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Chief, Contracts Branch, DPD

CONCURRENCES:

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5/18/59
Comptroller, DPD

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Office of General Counsel

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